



U.S. Department of Justice

United States Attorney
Western District of New York

Further Inquiries (716) 843-5814

PRESS RELEASE

August 23, 2005

FIRST CITY EMPLOYEE SENTENCED IN KICKBACK CASE

RE: UNITED STATES v. STEVEN YOUNG

Acting United States Attorney Kathleen M. Mehlretter announced today that Steven Young, age 43, of Rochester, New York, was sentenced by United States District Court Judge Charles J. Siragusa to five years probation and six months at the Volunteers of America, in connection with his guilty plea in March 2005 to mail fraud, in violation of 18 U.S.C. §1341, which carries a maximum sentence of 20 years imprisonment, a \$250,000 fine, or both.

Assistant U.S. Attorney Richard A. Resnick, who handled the case, stated that Young was a rehabilitation specialist for the City of Rochester, and he was responsible for writing specifications for the rehabilitation of privately owned housing within the city. The

homeowners must first qualify for a grant program administered by the city and funded by HUD. The homeowner then has to select four construction companies to bid on the project and one of these companies has to be minority owned. These grants range between \$10,000 and \$30,000 per project and the homeowner may qualify for more than one type of grant.

Young admitted to receiving bribes from various contractors in return for steering contracts to the contractors during the years 2002 through 2004. Young would steer the contracts to the contractors by telling the contractors the amount of the lowest bid. The contractors would then bid a lower amount than the lowest bid in order to win the bid. After the contractors were awarded the project, the contractors would pay Young between \$300 and \$500 in cash, depending on the size of the contract.

Young's cooperation in the government's investigation resulted in him avoiding a prison sentence. Three other city employees have also been convicted of receiving kickbacks.

At sentencing, Young apologized to the Rochester community for abusing the community's trust.

The conviction was the culmination of a joint investigation on the part of the Federal Bureau of Investigation, under the direction of Peter Ahearn, the U.S. Department of Housing and Urban Development, Office of Inspector General, under the direction of Ruth

Ritzema, and the United States Postal Inspection Service, under the direction of William E. Kezer.

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